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FM SECSTATE WASHDC

TO ALL DIPLOMATIC AND CONSULAR POSTS COLLECTIVE

RUEHTRO/AMEMBASSY TRIPOLI 9208

UNCLAS SECTION 01 OF 02 STATE 087020

SIPDIS

E.O. 12958: N/A

TAGS: [ATRN](#) [AMGT](#) [APER](#) [KSEP](#)

SUBJECT: Impact of GAO Decision on Purchasing Vehicles
in the United States

11. Summary. The General Accountability Office (GAO) recently ruled that the General Services Administration's (GSA) practice of accepting orders for motor vehicles based on pricing from expired contracts that will be filled in the next Fiscal Year (FY) do not constitute a binding obligation. As a result, the Department cannot use FY-2009 funds to order vehicles through GSA contracts that will not be awarded until November 2009, which will be FY 2010. This cable is meant to provide guidance on options for obtaining Program and ICASS vehicles based on the kind of funding posts will use to purchase vehicles in the United States through the mandatory State/GSA procurement process. <http://www.gao.gov/decisions/appro/317249.htm> . End Summary.

12. The timing of the GAO ruling this late in the fiscal year is unfortunate, but should not prevent the Department from meeting posts' vehicle requirements. The GSA contracts with Ford, General Motors (GM) and Chrysler automakers are still available to obtain model year 2009 vehicles in the States with FY 2009 funding. Options are outlined in para 3 for obtaining Program and ICASS Vehicles. Posts are reminded that when buying vehicles from the United States it is mandatory to place the order through the Motor Vehicle Program's buying unit that obtains vehicles from GSA, and please remember that we still have a mandate to procure American vehicles if at all possible. If posts instruct MVP to order ICASS vehicles off the Chrysler, Ford, and GM contracts effective in November 2010, please ensure that the appropriate funds are used. If your post is scheduled for a replacement program vehicle in 2010, you will be contacted by MVP to inquire as to the kind of vehicle needed.

13. Options for obtaining Program and ICASS Vehicles.

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Program Vehicles
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a. The contracts for purchasing 2009 model years from Ford, GM, and Chrysler automakers are still available through buying seasons ending 30 September 2009 and posts can request these vehicles from MVP. Posts should go to GSA AutoChoice http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_BASIC&contentId=8161 to determine the model and options required in advance of the procurement discussions with MVP.

b. Model year 2010 vehicles will be available for purchase in November, but only with FY 2010 funding. No FY 2009 funding can be used to buy these vehicles as was done in the past.

c. MVP will be reviewing requests for right hand drive vehicles that can be bought through RPSO Tokyo or locally. We expect posts to do everything possible to source American vehicles (if available) on the local market.

d. Armored vehicles are funded by Diplomatic Security and most likely will not be an issue for posts.

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ICASS Vehicles

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a. If carryover funds are an issue for posts, follow the same process as described above for purchasing model year 2009 Program Vehicles.

b. If carryover funds are not an issue, posts may want to defer replacement vehicle procurements until FY 2010 when new GSA vehicle contracts will be in place for model year 2010 vehicles.

c. Please share this information with your Financial Management Officer and encourage post management teams to discuss the options that best meet their ICASS fleet needs.

14. Local Procurement: MVP will expedite the review of local procurement waivers for both ICASS and Program Vehicles. Please keep in mind the guidelines that a

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local vehicle must cost one-third less to maintain over the life of the vehicle than a comparable US-made model. If a local dealer carries US made vehicles, we expect post to include pricing from that vendor. To expedite the purchasing of program vehicles, MVP will provide posts with price ranges for different capacity vehicles, and asks that if post needs to procure a local vehicle that the cost be within in that price range.

15. Planning for Next Year: GSA has stated that they will try to negotiate contracts with US automakers that begin in September rather than October or November (the next fiscal year) and last much longer into the year. As funds become available, MVP will aggressively move to procure replacement program vehicles for posts pending funding availability. Posts should work early and often with MVP desk officers to assist in getting the vehicles early in the year.

16. If you have any questions, comments or concerns, please e-mail John Dockery, Branch Manager for the Motor Vehicle Program at dockeryjc@state.gov or your desk officer via motorvehicleprogram@state.gov.

17. Minimized considered.
CLINTON